

**STATEMENT OF
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**BEFORE THE
COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE
SUBCOMMITTEE ON HIGHWAYS AND TRANSIT
U.S. HOUSE OF REPRESENTATIVES**

***COMPREHENSIVE SAFETY ANALYSIS 2010: UNDERSTANDING FMCSA'S NEW
SYSTEM OF MOTOR CARRIER OVERSIGHT***

JUNE 23, 2010

Good morning Mr. Chairman, Ranking Member Duncan and Subcommittee members. Thank you for this opportunity to speak to you today about our Agency's major new safety initiative, Comprehensive Safety Analysis (CSA) 2010.

CSA 2010 is an improved way for the Federal Motor Carrier Safety Administration (FMCSA) to carry out its important safety mission of reducing large truck and bus crashes, injuries, and fatalities on our nation's highways. It is a business model by which the Agency can better target high risk motor carriers for early intervention and achieve improved levels of compliance with Federal safety and hazardous materials regulations. Additionally, through increased operational efficiencies, CSA 2010 will enable FMCSA and its State partners to address the safety deficiencies of a much larger segment of the motor carrier industry than we currently do.

Starting in April, the Agency began a phased implementation of this important program. CSA 2010 represents a great opportunity for FMCSA and its State partners to work to fulfill our obligation to the American people to find new solutions to our safety challenges.

Core Priorities

FMCSA has a number of initiatives and programs underway aimed at achieving our mission. As the new Administrator, it is my job to set a strategic framework in which to prioritize our responsibilities and clearly focus our efforts and resources on a vision of eliminating severe and fatal crashes involving commercial vehicles. FMCSA must:

- Raise the bar to enter the industry;
- Require operators to maintain high safety standards to remain in the industry; and
- Remove high-risk operators from our roads and highways.

This strategic framework applies to companies, drivers, brokers, and service-providers alike. To achieve the best outcome within this framework, FMCSA must improve its

program and rule-development processes, its stakeholder relationships, and the health of the organization.

While recognizing the important safety work that remains to be accomplished, I would like to point to some of the recent improvements in motor carrier safety:

- Total miles traveled by all vehicles has grown significantly over the past 10 years, most significantly for large trucks and buses - there has been a 16 percent increase in miles traveled by these vehicles from 1998 to 2008. In addition, the number of large trucks and buses registered has increased 17 percent over this time period.
- Even with the continued growth in commercial vehicle traffic, the most recent data available show that our Nation's highways experienced their lowest number of fatalities (4,525 in 2008) from crashes involving large trucks and buses since fatal crash data collection began in 1975.
- Fatalities from large truck or bus crashes have dropped for three years in a row, a decline of 15 percent from 2006 to 2008.
- Safety improvements have been realized not only in terms of fatal crashes, but also in injury crashes. In 2008, 113,000 people were injured in crashes involving large trucks and buses, the lowest number of persons injured in these crashes since 1988, the first year of injury crash data collection.
- The number of people injured in large truck and bus crashes declined 10 percent from 2006 to 2008.

The reduction in severe and fatal crashes involving commercial motor vehicles comes about through the dedication and hard work of many people represented by the stakeholders in this room. We have broadened the participation of these stakeholders on our Motor Carrier Safety Advisory Committee (MCSAC) to improve the transparency of the input we receive about our programs. However, we can and must do more. FMCSA's employees are passionate about saving lives. With clear priorities and productive stakeholder relationships, I assure this Committee and the public that we are on a path to increase the effectiveness of our safety oversight of the motor carrier industry.

Why CSA 2010?

Since 1986, the Compliance Review (CR) has been the primary intervention and investigative tool used by FMCSA to compel compliance and determine the safety fitness of commercial motor vehicles and passenger carriers. A CR is a comprehensive assessment of a motor carrier's records by one of FMCSA's (or a State's) safety investigators at the carrier's principal place of business. While our experience has shown the comprehensive CR to be very effective in changing unsafe behavior, it is also very time consuming and labor intensive. A CR can take one of our safety investigators up to a week or more to complete, depending on the size of the carrier and the complexity of violations found. This can be problematic because the comprehensive CR is effectively the only tool at the disposal of our safety investigators to begin the process of compelling improved compliance. Moreover, our current regulation for determining the safety fitness of motor carriers of property and passengers is tied to the

comprehensive CR. Based on the findings of comprehensive CRs, motor carriers are issued a safety rating of Satisfactory, Conditional, or Unsatisfactory. However, these ratings cannot change without conducting an additional CR, no matter how far a motor carrier's on-road performance may have slipped. The end result of these limitations is that FMCSA can address the safety deficiencies and rate only a small fraction of the industry – between two and three percent of the carrier population annually.

In the face of a growing industry (there are currently approximately 500,000 active, registered commercial motor carriers and 7 million commercial driver licensees operating in interstate commerce), and limited resources, FMCSA senior leadership commissioned a Compliance Review Work Group (CRWG) to develop recommendations for improving the efficiency of the Agency's compliance and enforcement program. This was soon after FMCSA became a stand-alone Federal agency in 2000. Members of the Work Group consisted of FMCSA headquarters and field staff. The CRWG's major recommendation was the CSA 2010 concept – a more performance-based business model for compelling compliance and determining the safety fitness of motor carriers. In 2004, FMCSA held six public listening sessions at different locations around the country to gather input on the CSA 2010 concept. The result was general consensus among our partners and stakeholders that a more performance-based approach to compelling compliance and determining safety fitness would be a better and fairer approach.

Subsequently, in May 2005, the FMCSA Administrator commissioned the CSA 2010 Team to develop the concept into a working business model for the Agency, and to facilitate its implementation. Like the CRWG, the CSA 2010 Team consists of FMCSA headquarters and field staff, but was expanded to include State partner representatives as these partners are critical to the success of the CSA 2010 initiative in improving motor carrier safety. Throughout the entire process of developing CSA 2010, FMCSA has been and continues to be as transparent as possible. The Agency has held a total of eleven public listening sessions to seek feedback from our partners and stakeholders. I assure you that we will continue to consider and incorporate such feedback as much as possible, consistent with our mission to ensure large truck and bus safety on our nation's highways.

How CSA 2010 Will Improve Compliance and Enforcement

From May 2005 through 2007, the CSA 2010 Team developed the major components of CSA 2010. These components improve upon the Agency's current method of doing business in three important ways.

First is the new Safety Measurement System (SMS), which will replace the Agency's current measurement system, SafeStat. Today, SafeStat, using certain carrier roadside inspection and crash data, serves as a pointer system to identify high risk and other motor carriers on which to conduct CRs. It measures the relative safety performance of motor carriers in four broad categories, called Safety Evaluation Areas (SEAs). These are: (1) Driver, (2) Vehicle, (3) Crash, and (4) Safety Management. The data which feed the Agency's measurement system are the violations discovered through the over

three million roadside inspections conducted annually by our State partners, as well as the motor carrier crash reports they provide. In measuring a motor carrier's safety performance, SafeStat looks at only those roadside violations that result in Out-of-Service Orders, even though many more safety checks are conducted. Also included are certain moving violations and crash reports. None of the violations are weighted based on their relationship to crash risk.

In contrast, the new SMS looks at all safety violations discovered at roadside, weights each one based on its crash risk, and measures safety performance in seven unsafe behavioral areas, called BASICS – Behavior Analysis Safety Improvement Categories. These are: (1) Unsafe Driving, (2) Fatigued Driving (Hours-of-Service), (3) Driver Fitness, (4) Controlled Substances/Alcohol, (5) Vehicle Maintenance, (6) Cargo-Related, and (7) Crash Indicator. By looking at all of the safety violations and grouping them into more categories related to unsafe behavior, SMS provides a much more comprehensive, robust and granular view of the specific violations incurred by motor carriers and individual drivers. It enables FMCSA to get a better picture and more readily identify high risk carriers, as well as other motor carriers with violations that are not identified today through SafeStat. SMS shows FMCSA when to begin to intervene with a motor carrier and because of its specificity, enables the Agency to apply more efficient interventions. The end result is that under CSA 2010, both motor carriers and drivers will have to be more alert to their roadside safety performance.

The second major component that improves upon the Agency's current way of doing business is the broader array of compliance interventions developed under CSA 2010. Simply stated, through CSA 2010, FMCSA has more tools in its tool box from which to choose in response to a motor carrier's safety performance. These include interventions that are more efficient and less labor intensive than the CR but which are focused on the specific problems a carrier has.

As I mentioned earlier, the new SMS enables FMCSA to identify a whole new set of motor carriers with violations or limited on-road performance deficiencies that are not identified today through SafeStat. The CSA 2010 operational model provides a broader array of less resource intensive interventions to improve compliance. With the new SMS and interventions, a safety investigator's focus in the field will shift from conducting comprehensive CRs to assessing broad overall compliance and assign a new safety rating every time, by applying the most efficient intervention tool to fix the motor carrier's demonstrated on-road performance deficiencies and moving on to another carrier.

[Correction: This sentence should read “With the new SMS and interventions, a safety investigator's focus in the field will shift from conducting comprehensive CRs (in order to assess broad overall compliance and assign a safety rating every time), to applying the most efficient intervention tool to fix the motor carrier's demonstrated on-road performance deficiencies and moving on to another carrier.”]

In other words, this performance based approach is designed to compel compliance and remedy demonstrated on road performance deficiencies with a greater segment of the motor carrier population than can be reached with comprehensive CRs alone. For

example, for those motor carriers with just one or two deficient BASICs identified by the SMS, FMCSA may conduct an offsite investigation from one of our field offices, or an onsite focused investigation. Again, because the new SMS provides a much more comprehensive and granular view of the specific violations, our safety investigators do not have to spend time looking for violations in areas where the data suggest the carrier does *not* have a safety performance problem. Additionally, for a motor carrier that has not demonstrated past safety deficiencies, but is beginning to do so, FMCSA will send a warning letter. The warning letter advises the carrier of its deficiency and that corrective action is warranted. Further monitoring of the carrier's performance through roadside data could result in improved compliance, or the need for further intervention.

At the same time, I want to assure you that FMCSA will conduct comprehensive onsite compliance reviews on those motor carriers that demonstrate safety deficiencies across multiple BASICs, as well as on passenger carriers and certain hazardous materials carriers, because of their inherent risk. In addition, the Agency will continue to fully meet its Congressional mandate with respect to high risk motor carriers by requiring that this population receive onsite investigations of their safety practices.

Under CSA 2010, we are training safety investigators to identify the root cause of the safety deficiency. For example, with hours-of-service violations the root cause could be training and communication, or a lack of internal oversight policies, practices and procedures on the part of the motor carrier. We believe that by taking a few extra minutes with those motor carriers that demonstrate a willingness to correct their safety deficiencies, identifying the root cause not only facilitates quicker corrective action, but corrective action that will be more sustainable over time.

The third major CSA 2010 component that will improve the Agency's current way of doing business is a new methodology for determining property and passenger carrier fitness.

The new CSA 2010 safety fitness methodology would decouple the onsite CR from the safety rating. Thus, FMCSA could propose adverse safety ratings through the new SMS without necessarily having to go onsite to a motor carrier's place of business. This ultimately would allow FMCSA to assess the safety performance of a much larger segment of the motor carrier industry. When the relative safety performance of a motor carrier was poor enough to exceed a specified threshold in SMS for a given BASIC or combination of BASICs, the carrier would be issued a proposed adverse safety rating.

In addition to roadside performance, the new methodology would emphasize certain fundamental violations that would immediately trigger a proposed Unfit notice, such as not having a drug and alcohol testing program in place. The ratings under consideration are Continue Operation, Marginal, or Unfit in contrast to the current ratings of Satisfactory, Conditional, or Unsatisfactory. The new Continue Operation label would allow FMCSA to move away from the Satisfactory label which has sometimes led to requests for review of safe motor carriers, so that we can concentrate more directly on motor carriers with safety deficiencies and removing unsafe operators from the road.

This new methodology must be implemented through notice and comment rulemaking. FMCSA has drafted a notice of proposed rulemaking (NPRM), which proposes to revise the current safety fitness process. The Agency plans to publish the NPRM in FY 2011, which reflects a revised schedule to allow updates to the new SMS methodology based on feedback from our partners and stakeholders, as well as lessons learned from our nine-State field test.

This rulemaking will also address the intent of a long-standing National Transportation Safety Board recommendation, H-99-006: "Change the safety fitness rating methodology so that adverse vehicle and driver performance-based data alone are sufficient to result in an overall unsatisfactory rating for the carrier."

Nine-State Field Test

In January 2008, FMCSA and its State partners initiated a thirty-month field test to measure the efficiency and effectiveness of the new SMS and intervention components of the CSA 2010 model. The test concludes at the end of this month. It began with four States – Colorado, Georgia, Missouri, and New Jersey. Motor carriers domiciled in each State were randomly divided into two groups equal in size - a test group and control group. The goal was to provide a comparison between CSA 2010 and the current FMCSA business model. Motor carriers in the test group were assessed using the new SMS, and the CSA 2010 interventions were applied. Those in the control group were assessed using SafeStat, and the current CR was used for intervention. These original four test States were chosen based in part because there were CSA 2010 Team members from those States, at either the Federal or State level. In addition, the Agency wanted to have one State from each of its four Service Centers to represent the four major quadrants of the country. Because of the relationships the CSA 2010 Team members already had in place with those States, they were supportive of being the first to participate in the pilot test.

Leading up to the start of the test, the CSA 2010 Team developed training for safety investigators on the new SMS and CSA 2010 interventions. This enabled both Federal and State personnel to take the training together, which further strengthened the existing partnership. Once the test began and results started coming in, positive communication about CSA 2010 spread, and the CSA 2010 Team began to receive requests from other States expressing their desire to join the test.

In the spring and fall of 2009, the Agency added five more States to the test – Delaware, Kansas, Maryland, Minnesota, and Montana. FMCSA and its State partners have applied the new SMS and CSA 2010 interventions to all of the motor carriers in those States. The goal was to learn of any operational issues, prior to a nationwide rollout, arising from use of the CSA 2010 model on all motor carriers in a State.

FMCSA has contracted with the University of Michigan Transportation Research Institute (UMTRI) to conduct an independent, formal evaluation of the test results. The UMTRI report on its findings is due in December 2010. At the same time, the Agency has been informally monitoring the results from the test, and they are very encouraging. These results indicate that CSA 2010 will enable FMCSA and its State partners to

effectively reach a greater number of motor carriers through the new SMS and more efficient interventions.

Since the test began, the Agency has sent out more than 5,500 warning letters to motor carriers in the test, and the letter has proven effective. Approximately fifty percent of all carriers receiving a warning letter have logged onto the FMCSA website to review information on their deficient BASIC. In addition, FMCSA has received letters of response from some of these carriers in which they thank the Agency for bringing to their attention information on the deficient BASIC, and describe their corrective action to address the safety problem.

Likewise, the efficiency of the offsite and onsite focused investigations has proven effective in enabling FMCSA to reach more carriers. Results to date indicate that individual FMCSA and State partner safety investigators in the test group are able to conduct up to thirty-seven percent more investigations. In addition, enforcement actions against individual drivers are higher in the test group, in part because of the specificity with which the new SMS is able to identify violations among drivers as well as carriers. The efficiencies are further demonstrated in the types of investigations that have been conducted in the test States:

- Offsite Investigation – 25 percent
- Onsite Focused Investigation – 45 percent
- Onsite Comprehensive Investigation – 30 percent

FMCSA has continued to remain strong on enforcement throughout the test States. Enforcement actions have been taken as a result of offsite as well as onsite investigations. In addition, the Agency has continued in the test States to meet its Congressional mandate by addressing high risk motor carriers through onsite CRs. FMCSA has also continued to intervene with passenger carriers and certain hazardous materials carriers through comprehensive onsite investigations.

Implementation Plans for CSA 2010

Based on valuable feedback and knowledge received from its partners and stakeholders through public listening sessions, the nine-State field test, and written comments to the CSA 2010 public docket, FMCSA will roll out CSA 2010 in the fall of 2010 instead of the summer of 2010 as earlier reported. This relatively minor movement in our rollout timeline will enable the Agency to be more responsive to the feedback, as well as lessons learned from our field test. Some of the issues under consideration include refinements to methods of measuring exposure to violations and crashes, motor carrier peer grouping, and violation severity weights.

In the fall/winter of 2010, FMCSA will: (1) replace its current measurement system, SafeStat, with SMS; (2) send warning letters nationwide; and (3) implement a revised nationwide Inspection Selection System for roadside inspectors that is based on SMS rather than SafeStat. All motor carriers, including high risk carriers, will be targeted for intervention using the new SMS. In addition, motor carrier safety performance in each

BASIC will be publicly displayed in the same manner that the SEAs are displayed under SafeStat today.

With regard to the Crash BASIC, only the raw crash data will be displayed publicly. This is consistent with SafeStat today, because the crash reports do not include information on preventability or accountability. FMCSA will explore the feasibility of using police accident reports to determine accountability before the crash reports are entered into SMS to ensure we have the most accurate information available for assessing carriers' safety fitness.

After the Operational Model test concludes this month, all nine test States will carry out the full array of CSA 2010 interventions. For the remaining forty-one States and the District of Columbia, the CSA 2010 interventions will be phased in beginning in the fall of 2010 and extending into 2011. While the safety fitness determination rulemaking is in process, FMCSA will continue to issue safety ratings in accordance with its current safety fitness regulation, 49 CFR Part 385 – Safety Fitness Procedures.

On April 12, 2010, FMCSA began a data preview period during which motor carriers can view their performance data online, sorted by BASIC, as it will appear in SMS. For the first four months – mid-April through mid-August 2010, motor carriers will see their violations categorized by BASIC. Beginning in late August and running through November 2010, after any refinements to the SMS methodology are completed, motor carriers will be able to see the SMS assessment of their violations through CSA 2010. The purpose of this data preview period is to provide individual motor carriers the opportunity to view their data from the CSA 2010 perspective, and to use the time to identify and take actions to correct deficiencies in their operations which are leading to unsafe behavior.

CONCLUSION

In summary, during the last few years, there has been significant progress made in developing and testing a new business model for FMCSA's enforcement program. Through our efforts to examine the way we do business, and to reach out to our State partners and stakeholders, we have come up with a new SMS to monitor safety performance. We will continue the momentum later this year with the release of the SMS scores and the implementation of new interventions to address unsafe operators. And, finally, next fiscal year, we will seek public comment on the new safety fitness determination process that will enable us to take more unsafe carriers off the Nation's highways than we are able to do under the current rules.

Thank you for inviting me to discuss the FMCSA's current work and future programs. I would be pleased to respond to any questions you may have.